

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

(916) 445-0813

January 13, 1983



ALL-COUNTY INFORMATION NOTICE I-06-83

TO: ALL COUNTY WELFARE DIRECTORS
ALL CHIEF PROBATION OFFICERS
ALL GROUP HOME PROVIDERS

SUBJECT: AFDC FOSTER CARE (FC) RATE SETTING FOR GROUP HOMES

This is to provide you with a brief overview of the AFDC-FC rate setting system for licensed group homes to be administered by the State Department of Social Services (SDSS) effective with fiscal year 1983-84 rates; to apprise you of pertinent provisions of Assembly Bill 2695 (Chap. 977, Statutes 1982); and to set out time frames to help you prepare for participation in the new rate setting system.

SYSTEM OVERVIEW

1. The cost reporting period will be the calendar year, (e.g. the actual allowable costs accrued in the 1982 calendar year will be used to determine the rate to be effective July 1, 1983).
2. A rate will be set for each program (not for each license). For the purpose of rate setting, a program is a separate and distinct level of care and supervision.
3. Rates for fiscal year 1983-84 will be limited to the lesser of either the actual allowable costs incorporating an inflation adjustment or the fiscal year 1982-83 rate adjusted by the cost of living as determined by the legislature.

SUMMARY OF AB 2695 PROVISIONS RELATING TO GROUP HOME RATE SETTING

AB 2695 implements the payment provisions of Public Law 96-272, the Federal Adoption Assistance and Child Welfare Act of 1980. The bill, which was signed into law by the Governor on September 12, 1982, contains the following provisions related to AFDC-FC rate setting for group homes:

1. Designates the State Department of Social Services (SDSS) as the agency responsible for administering a uniform system for establishing AFDC-FC rates for group homes.
2. Requires rates to be established based upon actual allowable costs and specifies which cost categories are allowable for inclusion in the rates.
3. Gives SDSS authority to assess reasonableness with regard to allowable costs.

4. Requires audits at least once every three years of all group homes who receive funds on behalf of AFDC-FC eligible children beginning October 1, 1982.

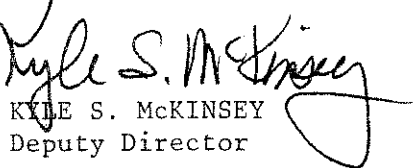
IMPORTANT DATES IN THE NEW RATE REQUEST SYSTEM

The Department is committed to the following deadlines in order to allow group home providers sufficient time to become familiar with the new system, attend a training workshop, and prepare the forms necessary to request a rate.

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| March 1, 1983 | A packet will be mailed to each provider containing the AFDC-FC Rate Setting Manual, all forms necessary to request a rate and a schedule for statewide training workshops. |
| Mar.-April 1983 | State rates staff will conduct comprehensive training workshops on how to complete a rate request. This will include up-to-date information on rate-related policy issues, step-by-step instruction on the completion of forms and opportunity for discussion. |
| July 1, 1983 | Completed rate requests should be submitted by this date to the state. In subsequent years providers will be asked to submit rate requests by April 1. The due date for submittal of rate requests this first year has been delayed in order to provide sufficient time for preparation. |
| July 1, 1983 | Effective date for new rates. |

We appreciate the input many of you have given us in developing the forms and the rate setting manual. We look forward to meeting with you in the training sessions and working together through the process of preparing your rate requests under the new system.

If you have any questions, please call the Foster Care Rates Bureau at (916)323-1263.


KYLE S. McKINSEY
Deputy Director

Please fill out the following information and send in by January 28, 1983 to Michael Carey, Mail Station 7-172, 744 P Street, Sacramento, 95814. This will allow us to compile an accurate list of group home providers serving AFDC-FC funded children.

PLEASE SEND A SET OF RATE REQUESTS FORMS AND THE RATE SETTING MANUAL TO:

Name of Facility: _____

Administrator: _____

Street: _____

City, State, Zip: _____

Number of programs for which I am now receiving separate rates _____.